



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 22, 2011

TO: Mayor and Councilmembers

FROM: Housing and Redevelopment Division, Community Development Department

SUBJECT: Community Development And Human Services Committee Funding Recommendations For Fiscal Year 2012, Policy Amendment, And Housing And Urban Development 2011 Action Plan

RECOMMENDATION: That Council:

- A. Approve the Fiscal Year 2012 funding recommendations of the Community Development and Human Services Committee (CDHSC) for use of Community Development Block Grant (CDBG) and Human Services funds;
- B. Approve the CDHSC funding contingency plan;
- C. Authorize the CDHSC to adjust funding as per the approved contingency plan without further Council action upon receipt of the actual entitlement amount awarded;
- D. Authorize the Community Development Director to negotiate and execute agreements implementing the funding recommendations, subject to the review and approval of the City Attorney;
- E. Authorize the City Administrator to sign all necessary documents to submit the City's 2011 Action Plan to the Department of Housing and Urban Development (HUD); and
- F. Authorize staff to amend CDBG and Human Services grant applications, program applications, policies, and agreements as necessary to implement regulations under the Federal Funding Accountability and Transparency Act of 2006 (FFATA) that became effective as of October 1, 2010, subject to the review and approval of the City Attorney.

EXECUTIVE SUMMARY:

The CDHSC is recommending funding for 72 proposals out of the 78 applications received, which is the highest number of applications ever received at a time when the CDBG program is facing steep cuts. The U.S. House of Representatives last month voted to cut the CDBG program by 62.5 percent for Fiscal Year 2011-12. The Senate has not taken action on the budget at this time. The recommendations for use of CDBG and Human Services funds for Fiscal Year 2012 are based on an estimated 8.5 percent reduction from last year's CDBG entitlement. The recommendations are based on the

priorities previously approved by Council. A review of the process, recommendations, policy changes and contingency plans follow.

DISCUSSION:

The City of Santa Barbara is an entitlement jurisdiction for federal CDBG funds through HUD. Each year since 1975 the City has applied for, and received, CDBG funds to undertake specific eligible projects and programs that develop a viable urban community by providing decent housing and a suitable living environment. In particular, these funds are required to be used for programs that principally benefit low- to moderate-income persons.

The City also makes available additional monies from the General Fund to support human services programs that provide direct social services to low-income City residents.

Community Development and Human Services Committee Funding Recommendations

The recommendations in this report are for CDBG and Human Services funding for Fiscal Year 2012.

The combined application for CDBG and Human Services funds was made available to the public on November 11, 2010. An announcement was mailed to all agencies that expressed an interest in applying during the past year or had applied for funding in the past two years. Current grant recipients also received a funding announcement via e-mail. In addition, advertisements appeared in the *Daily Sound* and the *Santa Barbara News Press*, a news release was disseminated to the local media, and an announcement and the application were posted on the City of Santa Barbara's website informing the public of the availability of applications and the orientation workshop. A mandatory Application Orientation/Technical Assistance workshop was held for all prospective applicants on November 16, 2010.

Seventy-nine applications were submitted by the deadline of December 16, 2010, which was the highest number ever submitted. One application was subsequently withdrawn. The 78 remaining applicants requested a total of \$2,875,421, which exceeds the estimated available funding by approximately \$1,007,121.

Staff and the CDHSC reviewed all of the applications and the Committee interviewed each applicant. In all, the CDHSC invested over 30 hours interviewing and deliberating on this year's applications. This figure does not include the number of hours each committee member spent individually reading and rating each application.

The CDHSC developed their funding recommendations on the basis of each applicant's written application, program presentation and interview. They deliberated as a group before submitting their individual rankings and proposals. The CDHSC gave significant consideration to the Funding Criteria and Priorities adopted by Council on November 9, 2010.

The 1st Priority programs consist of those programs that help meet basic human needs and programs that directly relate to City-initiated collaborative efforts, such as the South Coast Gang Task Force and the Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara. The 2nd Priority programs are preventative in nature and/or promote the highest degree of functioning the individual is capable of achieving. Detailed descriptions of the combined funding application criteria, as well as funding priorities for both CDBG and Human Services, can be found on pages four through six of the CDHSC Report on Funding Recommendations FY 2011-2012. This report is available for public review on the City's web page (www.SantaBarbaraCa.gov) and in the office of the City Clerk, Main Public Library and the Community Development Department. The Draft HUD 2011 Annual Action Plan is also available for public review at the above locations.

With the large number of applications this year, the CDHSC had to make some difficult decisions. They were able to recommend funding for 57 of the 62 applications in the Public/Human Services category including 14 new programs. Only one applicant received their full funding request, which was \$2,000, the amount needed to obtain a matching grant. Three programs that demonstrated either an extraordinary need or expansion of services were recommended for moderate increases. Decreased funding was recommended for all other previously funded programs: some of the decreases were small; some significant. No funding was recommended for five programs, including two that received funding last year.

Twelve of the 15 applications in the Capital category were recommended for funding. These include six projects that are part of the City's Neighborhood Improvement Program. This program targets those neighborhoods in the City with the highest proportion of low-income households, population density, over-crowding, renter occupancy ratio, crime rates and sub-standard structures. Three applications in the administrative category are also recommended for funding. Applicant agencies have been notified of their individual recommendations.

Housing And Urban Development 2011 Action Plan:

Every five years the City of Santa Barbara prepares a HUD-mandated document, the Consolidated Plan (CP), which is a comprehensive planning tool that outlines the City's strategic vision for housing and community development for a five-year period. Annually, an Action Plan (AP) is submitted to HUD and acts as the City's application for both Community Development Block Grant and HOME Investment Partnership Program funds. The City's 2011 Action Plan proposes specific identifiable benchmarks for measuring progress in realizing the goals outlined in the previously adopted 2010-2014 Consolidated Plan, including the CDBG funding recommendations.

Federal Funding Accountability and Transparency Act of 2006 (FFATA)

In accordance with the FFATA or Transparency Act, recipients and subrecipients of individual Federal grants that are equal to or greater than \$25,000 awarded on or after October 1, 2010, are required to report on data related to executive compensation. With approval today, Staff will incorporate into CDBG and Human Services grant applications, program policies, and contracts the appropriate language to enable compliance with the Act. It should be noted that although Human Services funds are technically not subject to the Act because they are funded by the City, the CDHSC has expressed its desire to include similar provisions of the Act for all CDBG and Human Service grants, even those for amounts less than \$25,000.

BUDGET/FINANCIAL INFORMATION:

Due to a delay in the receipt of our CDBG Funding Allocation for HUD Fiscal Year 2011, the CDHSC approved their funding recommendations based on an estimated 8.5 percent decrease in new CDBG entitlement funds to \$1,065,002. There will also be \$100,043 of reprogrammed funds available which, when added to the entitlement, provides an estimated total of \$1,165,045 for the City's Fiscal Year 2012 CDBG program, \$159,750 of which will be available for Public Services.

The City of Santa Barbara has also provided funds for local agencies to provide essential social services for many years. On November 9, 2010 Council established a funding commitment from the Fiscal Year 2012 General Fund in the amount of \$703,256 for the Human Services Program , which is the same as the last three fiscal years.

Under the combined funding process, the City's Human Services funds of \$703,256 are combined with the CDBG Public Service funds in the amount of \$159,750, for a total of \$863,006 in the Public/Human Services category. The CDBG funds available for Capital Projects total \$742,294. The remaining CDBG funds are allocated for administration/fair housing and the Rental Housing Mediation Task Force.

As of this date, the City has not received an official CDBG funding announcement from the Department of HUD; therefore, all CDBG funding recommendations are contingent upon HUD funding. The CDHSC added contingencies to their recommendations should CDBG funds be less than anticipated which is probable based upon recent reporting from Congress that the U.S. House of Representatives passed a 62.5 percent reduction to the CDBG program. Should this bill be confirmed by the Senate, the following amounts would be available:

- \$769,582 Public Service funds. The amount is not as drastically reduced due to the availability of City Human Services funds and the fact that only 15 percent of the CDBG entitlement goes toward Public Service.
- \$337,454 Capital

Contingency Plan

In anticipation of a decrease in CDBG funding, the CDHSC added a funding contingency plan to their recommendations. This plan will be applied in the event of any reduction to the City's estimated FY 11-12 CDBG funding, regardless of the amount decreased.

- Public/Human Services – Reduce/eliminate funding for lowest rated 2nd priority programs, as necessary.
- Capital – Eliminate/reduce, as necessary, funding from the lowest rated projects up to the Jewish Federation project. If excess allocated funds remain after these cuts are made, the Jewish Federation recommendation would be reduced by up to 50 percent, if necessary, then each remaining higher-ranked project would be reduced by an equal percentage. Women's Economic Ventures would be excluded with their funding intact.

Upon receipt of the actual entitlement amount awarded, the subcommittee will reconvene to fine tune the funding adjustments and will present these to the full CDHSC for approval.

****The Community Development and Human Services Committee (CDHSC) Report on Funding Recommendations FY 2011-2012 and the City's Draft 2011 Action Plan are available for public review on the City's web page (www.SantaBarbaraCa.gov) and in the office of the City Clerk, Main Public Library and the Community Development Department.****

ATTACHMENT: Community Development and Human Services Committee FY 2012 Funding Recommendations by Priority and Rating

PREPARED BY: Brian Bosse, Housing and Redevelopment Manager/DR

SUBMITTED BY: Paul Casey, Assistant City Administrator

APPROVED BY: City Administrator's Office

**COMMUNITY DEVELOPMENT AND HUMAN SERVICES COMMITTEE
FY 2011-2012 FUNDING RECOMMENDATIONS
BY PRIORITY AND RATING**

ATTACHMENT

| AGENCY | PROGRAM | 2010-2011 ALLOCATION | 2011-2012 REQUEST | AVG. RATING | 2011-2012 RECOMMENDATIONS | | |
|---|-----------------------------------|-------------------------|----------------------|----------------|---------------------------|-------------------|-----------|
| | | | | | CDBG | HUMAN SERVICES | TOTAL |
| PUBLIC/HUMAN SERVICE: | | | | | | | |
| 1st Priority | | | | | | | |
| Casa Esperanza Homeless Center | Homeless Day Program | \$54,000 | \$60,000 | 24.0 | \$52,250 | | \$52,250 |
| Casa Esperanza (Fiscal Umbrella) | Bringing Our Community Home | \$15,000 | \$15,000 | 23.7 | | \$14,250 | \$14,250 |
| Casa Esperanza Homeless Center | Community Kitchen | \$50,000 | \$60,000 | 23.7 | | \$48,156 | \$48,156 |
| Aids Housing Santa Barbara | Sarah House | \$25,000 | \$25,000 | 23.3 | | \$24,250 | \$24,250 |
| Foodbank | SB Warehouse | \$25,000 | \$25,000 | 22.9 | | \$23,250 | \$23,250 |
| Channel Islands YMCA | Noah's Anchorage | \$22,000 | \$25,000 | 22.9 | \$21,000 | | \$21,000 |
| Pacific Pride Foundation | Necessities of Life | \$19,000 | \$25,000 | 22.8 | | \$22,000 | \$22,000 |
| S.B. Rape Crisis Center | Same | \$25,000 | \$35,000 | 22.8 | | \$24,000 | \$24,000 |
| S.B. Neighborhood Clinics | Dental Care for the Homeless | \$26,000 | \$30,000 | 22.7 | | \$25,000 | \$25,000 |
| Transition House | Comprehensive Homeless Services | \$43,873 | \$43,000 | 22.4 | \$39,000 | | \$39,000 |
| S.B. Community Housing Corp. | New Faulding Htl Coordinator | \$15,000 | \$15,000 | 22.2 | | \$14,000 | \$14,000 |
| Domestic Violence Solutions | Emergency Shelter | \$50,000 | \$50,000 | 22.0 | \$36,500 | \$7,500 | \$44,000 |
| Domestic Violence Solutions | Second Stage | \$7,000 | \$7,000 | 21.9 | | \$6,750 | \$6,750 |
| S.B. Community Housing Corp. | Riviera Dual Diagnosis Prog. | \$20,000 | \$24,000 | 21.9 | | \$19,000 | \$19,000 |
| New Beginnings Counseling Center | Homeless Outreach | \$15,000 | \$22,500 | 21.7 | | \$14,750 | \$14,750 |
| WillBridge | WillBridge | \$22,000 | \$31,779 | 21.7 | | \$21,750 | \$21,750 |
| Legal Aid Foundation | Emergency Legal Services | \$20,000 | \$40,000 | 21.5 | | \$21,000 | \$21,000 |
| Foodbank | Brown Bag | \$8,000 | \$10,000 | 21.1 | | \$7,750 | \$7,750 |
| CADA | Project Recovery Detox | \$20,000 | \$20,000 | 21.0 | | \$17,000 | \$17,000 |
| St. Vincent's | PATHS | \$9,000 | \$15,000 | 20.5 | | \$8,750 | \$8,750 |
| Unity Shoppe, Inc | Central Distribution Facility | n/a | \$75,000 | 20.5 | | \$22,000 | \$22,000 |
| People's Self Help Housing | Supportive Housing Program | \$9,000 | \$20,000 | 20.1 | | \$7,000 | \$7,000 |
| Community Action Commission | Senior Nutrition | \$9,000 | \$19,000 | 19.8 | | \$11,000 | \$11,000 |
| Catholic Charities | Emergency Services | \$12,000 | \$15,000 | 19.7 | \$11,000 | | \$11,000 |
| Unitarian Society (Fiscal Umbrella) | Freedom Warming Centers | n/a | \$10,000 | 19.0 | | \$6,000 | \$6,000 |
| Channel Islands YMCA | Transitional- Youth Housing | n/a | \$30,000 | 18.4 | | \$16,000 | \$16,000 |
| Casa Serena | Scholarship Program | \$15,000 | \$30,000 | 18.1 | | \$8,000 | \$8,000 |
| Community Action Commission | So. Coast Taskforce on Gangs | n/a | \$52,728 | 17.3 | | \$15,000 | \$15,000 |
| Food From The Heart | Food From The Heart | n/a | \$10,000 | 17.2 | | \$3,500 | \$3,500 |
| 2nd Priority | | | | | | | |
| Family Service Agency | Big Brothers/Big Sisters | \$8,000 | \$10,000 | 23.4 | | \$7,500 | \$7,500 |
| S.B. Co. DA - Victim Witness Assistance | S.A.R.T. | \$8,000 | \$8,000 | 23.3 | | \$7,500 | \$7,500 |
| Friendship Center | Adult Day Services | \$22,000 | \$24,000 | 22.9 | | \$20,000 | \$20,000 |
| CALM | Biling. Child Abuse Treatment | \$21,000 | \$25,000 | 22.5 | | \$19,000 | \$19,000 |
| Transition House | Homelessness Prevention | \$8,000 | \$12,000 | 22.5 | | \$7,500 | \$7,500 |
| City At Peace | City At Peace | \$8,000 | \$10,000 | 22.1 | | \$7,500 | \$7,500 |
| Planned Parenthood | Peer Advocates/ Education | \$8,000 | \$12,000 | 22.0 | | \$7,500 | \$7,500 |
| S.B. Police Activities League | PAL Jr. High After School Program | \$18,000 | \$23,000 | 22.0 | | \$16,000 | \$16,000 |
| Family Service Agency | 2-1-1/HelpLine | \$23,000 | \$30,000 | 21.8 | | \$19,000 | \$19,000 |
| Long Term Care Ombudsman | Ombudsman Services | \$23,000 | \$25,000 | 21.7 | | \$21,000 | \$21,000 |
| Family Service Agency | Caregiver Mental Health | n/a | \$2,000 | 21.5 | | \$2,000 | \$2,000 |
| Storyteller Children's Center | Same | \$30,000 | \$30,000 | 21.5 | | \$22,000 | \$22,000 |
| Rental Housing Mediation TaskForce | City CD | \$23,000 | \$30,000 | 21.4 | | \$22,000 | \$22,000 |
| Family Service Agency | Family Resource Centers | \$0 | \$20,000 | 21.2 | | \$9,000 | \$9,000 |
| United Boys & Girls Club (Westside) | Teen Programs | \$14,000 | \$33,280 | 21.1 | | \$13,500 | \$13,500 |
| Future Leaders of America | Equality in Education | \$0 | \$15,000 | 21.1 | | \$8,000 | \$8,000 |
| Mental Health Association in S.B. | Fellowship Club | \$10,500 | \$12,000 | 20.9 | | \$9,000 | \$9,000 |
| Independent Living Resource Ctr. | Independent Living Services | \$23,000 | \$26,568 | 20.4 | | \$18,000 | \$18,000 |
| AHA! Academy of Healing Arts | AHA! Academy of Healing Arts | \$10,000 | \$25,000 | 20.0 | | \$9,500 | \$9,500 |
| Boys & Girls Club of SB | Power Hr Homework Club | \$7,924 | \$15,000 | 20.0 | | \$7,000 | \$7,000 |
| S.B. Arts Alliance City of SB - P & R | SB Arts Alliance | n/a | \$15,000 | 19.6 | | \$7,000 | \$7,000 |
| Jewish Federation of Greater S.B. | Portraits of Survival | \$0 | \$18,000 | 18.7 | | \$5,000 | \$5,000 |
| CADA | CORE | n/a | \$20,000 | 18.6 | | \$5,000 | \$5,000 |
| Job Apprenticeship City of SB - P & R | Job Apprenticeship Program | \$0 | \$25,000 | 18.1 | | \$9,000 | \$9,000 |
| People's Self Help Housing | Gang Prevention through Ed. | \$5,000 | \$20,000 | 17.4 | | \$4,000 | \$4,000 |
| Alzheimer's Assc | Family Services Program SB | n/a | \$25,000 | 17.3 | | \$4,000 | \$4,000 |
| Visiting Nurse & Hospice Care | Homemaker Program | n/a | \$7,500 | 17.2 | | \$3,600 | \$3,600 |
| Primo Boxing Club | Say Yes to Kids | \$23,000 | \$28,000 | 17.1 | | \$5,500 | \$5,500 |
| S.B. Family Care Center | Family Child Care Steps | n/a | \$30,000 | 16.7 | | \$0 | \$0 |
| Dyslexia Awareness | ID, Ed., Accomodation | n/a | \$10,000 | 16.5 | | \$0 | \$0 |
| ySTRIVE for Youth | Excellence in Education | \$8,000 | \$30,000 | 16.0 | | \$0 | \$0 |
| ySTRIVE for Youth | ySTRIVE for Youth | \$5,000 | \$25,000 | 15.6 | | \$0 | \$0 |
| Youth CineMedia | Youth CineMedia | \$10,000 | \$30,000 | 15.4 | | \$0 | \$0 |
| | | | | | \$159,750 | \$703,256 | \$863,006 |

**COMMUNITY DEVELOPMENT AND HUMAN SERVICES COMMITTEE
FY 2011-2012 FUNDING RECOMMENDATIONS
BY PRIORITY AND RATING**

ATTACHMENT

| AGENCY | PROGRAM | 2010-2011 ALLOCATION | 2011-2012 REQUEST | AVG. RATING | 2011-2012 RECOMMENDATIONS | | | |
|--------------------------------|-------------------------------|-------------------------|----------------------|----------------|---------------------------|-------------------|-------------------|-----------------|
| | | | | | CDBG | HUMAN SERVICES | TOTAL | |
| CAPITAL: | | | | | | | | |
| SB Neighborhood Clinics | Westside Clinic Flooring | \$47,330 | \$34,833 | 23.1 | \$34,833 | | \$34,833 | |
| CADA | Project Recovery Capital | N/A | \$5,375 | 23.0 | \$5,375 | | \$5,375 | |
| City of S.B. – NITF | Access Ramps | \$50,000 | \$50,000 | 22.4 | \$50,000 | | \$50,000 | |
| Girls Inc. of Santa Barbara | Kitchen remodel | \$26,590 | \$60,100 | 22.1 | \$55,000 | | \$55,000 | |
| City of S.B. – NITF | Sidewalk Infill | N/A | \$200,000 | 22.1 | \$155,086 | | \$155,086 | |
| Casa Esperanza Homeless Center | Bathroom and Floor Replace | N/A | \$97,170 | 22.0 | \$90,000 | | \$90,000 | |
| Women's Economic Ventures | Microenterprise Development | \$25,000 | \$35,000 | 21.9 | \$25,000 | | \$25,000 | |
| Jewish Federation | Community Ctr. Rehab | N/A | \$178,707 | 21.3 | \$110,000 | | \$110,000 | |
| City of S.B. – NITF | Ortega Park Security Lighting | N/A | \$73,000 | 20.1 | \$60,000 | | \$60,000 | |
| City of S.B. – NITF | Westside Ctr. Cameras | N/A | \$52,500 | 19.9 | \$47,000 | | \$47,000 | |
| City of S.B. – NITF | Bus Shelters | N/A | \$125,000 | 19.7 | \$75,000 | | \$75,000 | |
| City of S.B. – NITF | Euclid Street Improvements | N/A | \$50,000 | 19.6 | \$35,000 | | \$35,000 | |
| City of S.B. – NITF | Central Library Cameras | N/A | \$43,000 | 16.9 | \$0 | | \$0 | |
| Girls Inc. of Santa Barbara | Landscape for SB Center | \$26,590 | \$6,660 | 16.3 | \$0 | | \$0 | |
| City of S.B. – NITF | Neighborhood Enhancement | \$0 | \$70,000 | 14.4 | \$0 | | \$0 | |
| | | | | | \$742,294 | \$0 | \$742,294 | |
| ADMIN: | | | | | | | | |
| City of SB - Comm. Development | RHMTF | \$104,697 | \$108,410 | 23.9 | \$89,632 | | \$89,632 | |
| City of SB - Comm. Development | CDBG Admin | \$169,125 | \$165,595 | 23.9 | \$165,595 | | \$165,595 | |
| City of SB - Comm. Development | Fair Housing | \$8,901 | \$8,716 | 23.9 | \$7,773 | | \$7,773 | |
| | | | | | \$282,721 | \$263,000 | \$263,000 | |
| | | | | | GRAND TOTAL | | | |
| | | | | | REQUESTS | CDBG | HUMAN SERVICES | RECOMMENDATIONS |
| | | | | | \$2,875,421 | \$1,165,044 | \$703,256 | \$1,868,300 |